

DEPARTMENT OF AGING

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PROGRAM MEMO

TO: AREA AGENCIES ON AGING DIRECTORS	NO.: PM 02-26(P)
SUBJECT: Community-Based Services Programs (CBSP) Redirection Policy	DATE ISSUED: November 19, 2002
REVISED	EXPIRES: Until Superseded
REFERENCES: Older Californian's Act, CBSP Standard Agreement, CBSP Program Manuals and Regulations, PM 98-37(P)	SUPERSEDES:
PROGRAMS AFFECTED: <input type="checkbox"/> All <input type="checkbox"/> Title III-B <input type="checkbox"/> Title III-C1/C2 <input type="checkbox"/> Title III-D <input type="checkbox"/> Title V <input checked="" type="checkbox"/> CBSP <input type="checkbox"/> MSSP <input type="checkbox"/> Title VII <input type="checkbox"/> ADHC <input type="checkbox"/> Other: _____	
REASON FOR PROGRAM MEMO: <input type="checkbox"/> Change in Law or Regulation <input type="checkbox"/> Response to Inquiry <input checked="" type="checkbox"/> Other Specify: Transmit policy on redirection	
INQUIRIES SHOULD BE DIRECTED TO: Your assigned AAA-Based Team	

The purpose of this Program Memorandum (PM) is to transmit policies regarding redirection of community-based programs specified in Chapter 7.5 of the Older Californian's Act. CBSPs eligible for redirection in Fiscal Year (FY) 2003/04 are: Alzheimer's Day Care Resource Center (ADCRC), Brown Bag, Foster Grandparent, Respite (which includes Respite Purchase of Service and Respite Registry), and Senior Companion. The Health Insurance Counseling and Advocacy Program (HICAP) is exempt from redirection. Funds allocated to the Linkages Program are not eligible for redirection until FY 2004/05; however, policies regarding redirection of this Program are included to ensure consistent application across all programs. Guidance in this PM addresses only the specific policy changes that will affect the administration of these programs.

OVERARCHING POLICY

In all circumstances, program providers are required to meet all provisions specified in either or all of the following: regulations, contract language, program manuals, or any other program standards imposed by the California Department of Aging (CDA). In no case does this PM authorize a different set of program standards for any of the CBSPs affected. That is, if a AAA provides a CBSP, compliance with the specific minimum standards must be met.



ALZHEIMER'S DAY CARE RESOURCE CENTER PROGRAM

The \$80,000 baseline is no longer a requirement. Multiple contractors are allowable, and satellite sites are no longer tied to the allocation. However, use of any funds in support of an ADCRC requires **each** contracted entity to comply with all ADCRC program requirements. In addition, the budget information submitted will require the AAA to show the total amount of funds from all sources that will be used to operate the ADCRC and, must at a minimum, total \$80,000. Individual exceptions to this policy will be considered on a case-by-case basis and require prior approval from CDA.

BROWN BAG PROGRAM

No minimum dollar amount or specific number of contractors will be required for this program. All other policies, procedures, and guidelines governing the program as specified in the Brown Bag Program Manual and contract language shall remain in effect.

FOSTER GRANDPARENT PROGRAM (FGP)/SENIOR COMPANION PROGRAM (SCP)

The Corporation for National and Community Service (CNCS) has revised the rate of reimbursement for each Volunteer Service Year (VSY). The cost per VSY has changed from \$4,000 to \$4,370 effective July 1, 2003. This change will provide additional resources per VSY and may also result in a reduction of total required VSYS to be funded and contracted by a AAA.

In addition, the policy that placed restrictions on the percentage of total funds that can be used for program administration (20%) has been revised to allow for increased flexibility in budgeting costs associated with the administration of these programs. State-funded only programs will **not** be required to budget/spend 80 percent of the State allocation in the Volunteer Expense category. However, an amount **equal to** 80 percent of the State allocation **must be** budgeted and spent in this category. The additional resources a AAA may need to raise to meet this requirement may be obtained through the use of alternative funding streams, which may include but are not limited to fund raising activities or in-kind contributions (i.e., meals, physicals, etc).

Specific program and budgetary guidelines to assist AAAs in implementing these revised policies will be provided in a separate PM.

All other policies, procedures, and guidelines governing the program as specified in the FGP and SCP Operations Handbook, federal regulations, and contract language shall remain in effect.

RESPIRE PROGRAM

No baseline **Respite Registry** amount will be established.

The requirement that **Respite Purchase of Service (RPOS)** is tied to the Linkages Program has been removed. However, because of the small amount of funding available, the large demand for services, and in order to ensure that the maximum numbers of families are served, the \$450 maximum per family for RPOS is retained. In addition, the policy remains in effect that allows for an increase that may be spent in excess of the \$450 limit with the written approval of a supervisor.

LINKAGES PROGRAM

The requirement of a minimum 100 slots per site is removed. Based on existing reported costs and levels of service, a new per client slot cost range of \$2,000 to \$2,200 has been established. The range was established to recognize local variances in the cost of conducting business. For example, the salary of a care manager varies between Los Angeles and Inyo/Mono Counties. AAAs will contract for clients served based on this average. If some but not all funds are redirected, the cost per client slot provides a guideline for the AAA to use to adjust program performance levels.

FISCAL/BUDGET REQUIREMENTS

AAA Administration is allocated in the following five categories: General Fund, HICAP Reimbursement, HICAP Fund, Federal M + C Supplemental, and Federal Funds – Other. The Department will continue to allocate AAA Administration in these five categories. However, beginning with FY 2003/04, General Fund Administration will not be identified by program. AAAs have the option of retaining up to 10 percent of all General Fund CBS program dollars for administration as long as service levels are not reduced and there is no negative impact on direct program services [PM 00-22 (P)].

In the Community-Based Services Program Budget (CDA 263), AAAs must include all costs and all funding available to pay the costs of services as defined in the CBSP Standard Agreement and by each separate set of program standards. These should include State and federal funds from CDA, matching contributions (required and over match), Program Income generated from services provided, and Other funds. As an example, Other funds could include in-kind from HICAP volunteers, Targeted Case Management funds, donations, funding from Handicap Parking fines, and any other funds used to cover the costs of CBSP services.

Note: Although HICAP is not subject to redirection, costs associated with this program shall also be documented in the same manner required for all other CBSPs.

ADMINISTRATIVE ACTION PLAN

AAAs shall follow all requirements specified in Section 9535 of the Older Californian's Act, if they propose to redirect programs in Chapter 7.5 [see PM 98-37 (P)]. One specific requirement is the development of an Administrative Action Plan, which shall receive the approval of the governing board after considering the input received from the local advisory council. In addition, CDA is requiring the AAA to describe in its Plan how clients participating in programs targeted for redirection will be transitioned into other community services.

If any funds are proposed for redirection, the AAA shall submit the following with the original CBSP budget required for FY 2003/04 and any subsequent amendments:

- an Administrative Action Plan containing justification for each program selected by the AAA for redirection, and
- a transmittal letter signed by the Chairs of the Advisory Council and Governing Board.

Once CDA approves the Plan and the budget, AAAs shall incorporate approved changes, along with goals and objectives, into their Area Plan update due to CDA on May 1 of each fiscal year.

As resources permit, all changes included in this PM will be made to each applicable program manual and issued as updates to these manuals.

Original Signed by Joyce Fukui for Lynda Terry

Lynda Terry
Director